

## KENTUCKY REAL ESTATE APPRAISERS BOARD

### TYPE OF MEETING

Regular Meeting

### DATE AND LOCATION

May 26, 2011 – Board Office

### PRESIDING OFFICER

Harold Brantley, Chair

### ROLL CALL

#### Present:

Harold Brantley, Chair  
Sam E. Blackburn, Vice Chair  
G. Herbert Pritchett, Board Member  
Kathy Mayfield, Board Member

#### Present Also:

Larry Disney, Executive Director  
Angie Thomas, Staff Assistant  
  
James Grawe, Board Counsel  
Dennis Badger, Investigator Consultant

#### Absent:

Dorsey Hall, Board Member  
Ravon Radmard, Executive Secretary

Chair, Harold Brantley opened the meeting by welcoming the guest. The guests in attendance were Andy Peak, Marvin Dever, Marshall Flynn and Jack Flynn.

Motion by Sam Blackburn, second by Herbert Pritchett and the Board unanimously approved the April 21, 2011 minutes.

An appearance was made by Jack Flynn, Counsel on behalf of Marshall Flynn. Mr. Flynn presented to documents to the Board in reference to the case of Marshall Flynn. Mr. Flynn, legal counsel agreed to closed session discussion by Board.

## EDUCATION

Motion by Sam Blackburn, second by Kathy Mayfield and the Board unanimously approved the following renewal and new education courses for fiscal year 2011-2012:

### **COMMONWEALTH SCHOOL WESTERN KY UNIVERSITY** **COURSES APPROVED *CLASSROOM PRE-LICENSING* CREDIT**

*\*All approved pre-licensing courses will be accepted for continuing education credit.*

Advanced Real Estate Appraisal – 48 hours QE

Principles of Real Estate Appraisal – 42 hours QE

### **MCKISSOCK, LP**

### **COURSES APPROVED *VIRTUAL CLASSROOM PRE-LICENSING* CREDIT**

*\*All approved pre-licensing courses will be accepted for continuing education credit.*

2010-2011 National USPAP Equivalency Course	15 hours
Advanced Residential Applications and Case Studies	15 hours
Appraisal Subject Matter Electives	20 hours
Basic Appraisal Principles	30 hours
Basic Appraisal Procedures	30 hours
Commercial Appraisal Review - Subject Matter Electives	15 hours
Expert Witness for Commercial Appraisers - Subject Matter Electives	15 hours
General Appraiser Income Approach	60 hours
General Appraiser Report Writing and Case Studies	30 hours
General Appraiser Sales Comparison Approach	30 hours
General Appraiser Site Valuation and Cost Approach	30 hours
General Appraiser Market Analysis and Highest and Best Use	30 hours
Residential Appraiser Site Valuation & Cost Approach	15 hours
Residential Market Analysis & Highest and Best Use	15 hours
Residential Report Writing and Case Studies	15 hours
Residential Sales Comparison and Income Approaches	30 hours
Statistics, Modeling & Finance	15 hours

### **COURSES APPROVED *VIRTUAL CLASSROOM CONTINUING EDUCATION* CREDIT**

2010-2011 National USPAP Update - Virtual Classroom	7 hours
2-4 Family Finesse - Virtual Classroom	7 hours
Ad Valorem Tax Consultation - Virtual Classroom	3 hours
Appraising and Analyzing Industrial Flex Buildings for Mortgage Underwriting	7 hours
Appraising and Analyzing Office Buildings for Mortgage Underwriting- Virtual Classroom	7 hours

Appraising and Analyzing Retail Shopping Centers for Mortgage Underwriting – VC	7 hours
Appraising Apartments - The Basics - Virtual Classroom	7 hours
Appraising FHA Today - Virtual Classroom	7 hours
Appraising Manufactured Homes - Virtual Classroom	7 hours
Dirty Dozen – Virtual Classroom	3 hours
Environmental Contamination of Income Properties - Virtual Classroom	5 hours
Even Odder: More Oddball Appraisals - Virtual Classroom	7 hours
Foundations in Sustainability: "Greening" the Real Estate and Appraisal Industries - VC	7 hours
How to Analyze & Value Income Properties - Virtual Classroom	7 hours
Introduction to Legal Descriptions - Virtual Classroom	2 hours
Introduction to the Uniform Appraisal Dataset	2 hours
Land and Site Valuation - Virtual Classroom	7 hours
Mortgage Fraud: Protect Yourself - Virtual Classroom	7 hours
Private Appraisal Assignments - Virtual Classroom	7 hours
REO and Foreclosures - Virtual Classroom	5 hours
Residential Appraisal Review - Virtual Classroom	7 hours
Residential Report Writing: More Than Forms - Virtual Classroom	7 hours
Risky Business: Ways to Minimize Your Liability - Virtual Classroom	7 hours
The Cost Approach - Virtual Classroom	7 hours
The Evolution of Finance & The Mortgage Market - Virtual Classroom	4 hours
The Nuts and Bolts of Green Building for Appraisers - Virtual Classroom	3 hours

#### COURSES APPROVED *CONTINUING EDUCATION* CREDIT

Appraising in a Post-HVCC World	4 hours
Financial Reform, Fannie Mae and Appraisers	7 hours
Introduction to Residential Green Building for Appraisers	4 hours
National USPAP Update Equivalent 2010-2011	7 hours
REO and Short Sale Appraisal Guidelines	4 hours
Relocation Appraising: New ERC Summary Appraisal Report	7 hours
Residential Appraisal Review	7 hours
Risky Business: Ways to Minimize Your Liability	7 hours
The Changing World of FHA Appraising	7 hours
Understanding the Uniform Appraisal Dataset	3 hours

#### APPRAISAL INSTITUTE

##### COURSE APPROVED FOR CLASSROOM *PRE-LICENSING* CREDIT

*\*All approved pre-licensing courses will be accepted for continuing education credit.*

Advanced Income Capitalization (revised)	33 hours
Advanced Residential Applications and Case Studies	15 hours
Advanced Residential Report Writing, Part 2	30 hours



Alternative Uses & Cost Valuation of Small, Mixed Use Properties	16 hours
Apartment Appraisal: Concepts and Applications	16 hours
Basic Appraisal Principles	30 hours
Basic Appraisal Procedures	30 hours
General Appraiser Income Approach, Part 1	30 hours
General Appraiser Income Approach, Part 2	30 hours
General Appraiser Market Analysis and Highest and Best Use	30 hours
General Appraiser Report Writing and Case Studies	30 hours
General Appraiser Sales Comparison Approach	30 hours
General Appraiser Site Valuation & Cost Approach	30 hours
Income Valuation of Small, Mixed-Use Properties	16 hours
National USPAP	15 hours
Real Estate Finance, Statistics, and Valuation Modeling	15 hours
Residential Market Analysis and Highest and Best Use	15 hours
Residential Report Writing & Case Studies	15 hours
Residential Sales Comparison & Income Approaches (203-15 hrs) (204-15 hrs)	
Residential Site Valuation and Cost Approach	15 hours
Sales Comparison Valuation of Small, Mixed Use Properties	16 hours

#### COURSES APPROVED *CONTINUING EDUCATION* CREDIT

Advanced Concepts & Case Studies	38 hours
Advanced Market Analysis and Highest & Best Use	30 hours
Advanced Spreadsheet Modeling for Valuation Applications	14 hours
Analyzing the Effects of Environmental Contamination on Real Property	
Analyzing Tenant Credit Risk & Commercial Lease Analysis	7 hours
Appraisal Curriculum Overview - General	15 hours
Appraisal Curriculum Overview - Residential	8 hours
Appraising Historic Preservation Easements	23/21 hours
Appraising the Appraisal: Appraisal Review - General	7 hours
Business Practices and Ethics	5 hours
Case Studies in Appraising Green Residential Buildings	8 hours
Condemnation Appraising: Principles and Applications	21/22 hrs
General Demonstration Appraisal Report Writing	7 hours
Introduction to Green Buildings: Principles & Concepts	8 hours
Litigation Appraising: Specialized Topics & Applications	15 hours
National USPAP Update	7 hours
Residential Applications: Using Technology to Measure & Support Assignment Results	7 hours
The Appraiser as an Expert Witness: Preparation & Testimony	15 hours
The Lending World in Crisis-What Clients Would Like Their Appraisers to Know	7 hours
The Uniform Appraisal Dataset from Fannie Mae and Freddie Mac	7 hours
Thinking Outside the Form	7 hours
Uniform Appraisal Standards for Federal Land Acquisitions	16 hours
Valuation of Conservation Easements	33 hours
Whatever Happened to Quality Assurance in Residential Appraisals: Avoiding Risky Appraisals and Risky Loans	7 hours

## COURSES APPROVED **ON-LINE** *CONTINUING EDUCATION* CREDIT

On-line Advanced Internet Search Strategies	7 hours
On-line An Introduction to Valuing Commercial Green Buildings	7 hours
On-line Analyzing Distressed Real Estate	4 hours
On-line Analyzing Operating Expenses	7 hours
On-line Appraisal Curriculum Overview - General	7 hours
On-line Appraisal Curriculum Overview - Residential	8 hours
On-line Appraisal of Nursing Facilities	9 hours
On-line Appraising Convenience Stores	7 hours
On-line Appraising from Blueprints and Specifications	7 hours
On-line Appraising Manufactured Housing	7 hours
On-line Business Practices and Ethics	5 hours
On-line Condominiums, Co-Ops & PUD's	7 hours
On-line Cool Tools: New Technology for Real Estate Appraisers	7 hours
On-line Data Verification Methods	5 hours
On-line Eminent Domain and Condemnation	7 hours
On-line Feasibility, Market Value, Investment Timing: Option Value	7 hours
On-line FHA & The Appraisal Process	7 hours
On-line Forecasting Revenue	7 hours
On-line GIS - The Executive Overview	7 hours
On-line GIS - The Novice Case Study	7 hours
On-line Professionals Guide to the Fannie Mae 2-4 Unit Form 1025	10 hours
On-line Professional's Guide to the Uniform Residential Appraisal Report	7 hours
On-line Rates & Ratios: Making Sense of GIMs, OARs and DCF	7 hours
On-line Real Estate Appraisal Operations	4 hours
On-line Residential Challenge: Declining Markets and Sales Concessions	7 hours
On-line Residential Design and Functional Utility	7 hours
On-line Residential Property Construction and Inspection	7 hours
On-line Reviewing Residential Appraisals and Using Fannie Mae Forms 2000	7 hours
On-line Scope of Work: Expanding Your Range of Services	7 hours
On-line Site Use & Valuation Analysis	6 hours
On-line Small Hotel/Motel Valuation	7 hours
On-line Subdivision Valuation	7 hours
On-line Supervising Appraisal Trainees	4 hours
On-line Using Your HP12C Financial Calculator	7 hours
On-line Valuation of Green Residential Properties	7 hours
On-line What Commercial Clients Would Like Appraisers to Know	7 hours

## COURSES APPROVED **ON-LINE** *PRE-LICENSING* CREDIT

*\*All approved pre-licensing courses will be accepted for continuing education credit.*

On-line Apartment Appraisals - Concepts and Applications	16 hours
On-line Basic Appraisal Principles	30 hours



On-line Basic Appraisal Procedures	30 hours
On-line General Appraiser Income Approach, Part 2	30 hours
On-line General Appraiser Sales Comparison Approach	30 hours
On-line General Appraiser Site Valuation and the Cost Approach	30 hours
On-line Real Estate Finance, Statistics & Valuation Modeling	15 hours
On-line Residential Market Analysis and Highest & Best Use	15 hours
On-line Residential Report Writing & Case Studies	15 hours
On-line Residential Sales Comparison and Income Approach	30 hours
On-line Residential Site Valuation & Cost Approach	15 hours

**AMERICAN SOCIETY OF FARM MANAGERS & RURAL APPRAISERS**  
**COURSE APPROVED FOR BOTH *PRE-LICENSING* AND *CONTINUING EDUCATION* CREDIT**

*\*All approved pre-licensing courses will be accepted for continuing education credit.*

Advanced Approaches to Value for Rural Appraisal - A-300	45 hours
Basic Appraisal Principles - A-101	30 hours
Basic Appraisal Procedures	30 hours
Cost Approach for General Appraisers	30 hours
EminentDomain	22 hours
General Market Analysis and Highest & Best Use	30 hours
Income Approach for General Appraisers, Part 1	30 hours
Sales Comparison Approach for GeneralAppraisers	30 hours

**COURSES APPROVED *CONTINUING EDUCATION* CREDIT**

Advanced Appraisal Review Case Studies	16 hours
Advanced Rural Case Studies	36 hours
Appraisal Review Under USPAP (A-370)	22 hours
Appraisal Review Under Uniform Appraisal Standards for Federal Land Acquisition	16 hours
Eminent Domain - A-250	20 hours
Highest and Best Use Seminar	8 hours
Introduction to Appraisal Review - A-360	14 hours
National USPAP Update - A-114	7 hours
Requirements of UASFLA - The Yellow Book	22 hours
Valuation of Conservation Easements and Other Partial Interests in Real Estate	22 hours

**(1) New Courses – Expire June 30, 2012**

**(a) Appraisal Institute**

**(1) Valuation in Challenging Markets – 28 hours CE or 30 hours QE**

**(b) American Society of Farm Managers & Rural Appraisers**

**(1) Using Excel in Specific Appraisal Applications – 8 hours CE**

**(2) Financial Reporting Affecting Valuation in U.S. and Global Markets – 8 hours CE**

**(3) Cutting Edge Technologies & Resources – 8 hours CE**

- (c) McKissock, LP
  - (1) Essential Elements of Disclosures & Disclaimers – 5 hours CE virtual classroom
- (d) Dynasty School
  - (1) Statistics, Modeling and Finance – 15 hours QE/CE Online
  - (2) Real Estate Finance -30 hours QE/CE online
- (e) Redd, Brown & Williams
  - (1) FHA, RHS, VA Governmental Appraisal Update – 7 hours CE
  - (2) National USPAP Update 2012-2013 – 7 hours CE

Motion by Sam Blackburn, second by Kathy Mayfield and the Board unanimously approved the following education courses submitted by individuals requesting CE credit.

- (1) Appraisal Academy – AMC's Appraisal Management Companies – 7 hours
- (2) Appraisal Institute
  - (a) Regulatory Update: 2011 Issues and Answers – 3 hours
  - (b) The Good, the Bad, the Ugly (residential) – 3 hours
  - (c) The Good, the Bad, the Ugly (general) – 4 hours
  - (d) Cool Tools for the Real Estate Appraisers – 3 hours
  - (e) 75<sup>th</sup> Annual Princeton Conference – New Jersey Chapter – 7 hours
- (3) The Columbia Institute
  - (a) Practice of Appraisal Review-FHA Protocol – 8 hours
  - (b) Fannie Mae Guide Update – 8 hours
- (4) Vintage Real Estate Academy – Mineral Rights Issues for Appraisers – 7 hours
- (5) University of Cincinnati and Urban Land Institute
  - (a) 2011 UC/PNC Real Estate Outlook Conference – 3 hours
  - (b) 2010 UC/ULI Cincinnati Urban Renaissance – 3 hours
  - (c) UC ICSC Preview Roundtable – 3 hours
- (6) American Bar Association – 26<sup>th</sup> Annual Intellectual Property Law Conference – 9 hours
- (7) The KY Dept of Revenue-Office of Property Valuation – ArcGIS 10 – 14 hours CE

Motion by Sam Blackburn, second by Kathy Mayfield and the Board unanimously denied the following education courses submitted by individuals requesting CE credit.

- (1) IAAO – Assessment of Personal Property

## EXPERIENCE REVIEW

Motion by Herbert Pritchett, second by Sam Blackburn and the Board unanimously approved the experience of Melonie S. Charlotte for Certified Residential certificate.

## CERTIFICATION/LICENSURE

Motion by Sam Blackburn, second by Kathy Mayfield and the Board voted to approve a total of twelve (12) individuals for certification/licensure.

### A. Approval

- (1) Daniel B. Boring – Certified General (Georgia)
- (2) Rachel E. Brooks – Certified General (Georgia)
- (3) Melonie Charlotte – Certified Residential
- (4) David E. Dodd – Certified General (Texas)
- (5) Austin M. Jones - Associate
- (6) Donald E. Miller – Certified General (Ohio)
- (7) April Nuckolls – Associate
- (8) Christopher C. Parsley - Associate
- (9) Robert F. Pielsticker – Certified General (Colorado)
- (10) David Sangree – Certified General (Ohio)
- (11) Lonny J. Satterly – Certified Residential
- (12) Kevin D. Schultz – Certified General – (Indiana)

B. Austin M. Jones – Applicant applying for Associate license with prior conviction – Motion by Herbert Pritchett, second by Kathy Mayfield and the Board unanimously agreed to approve the application. The certification list will change to reflect the approval.

C. David Sangree – Applicant applying for Certified General from Ohio with prior conviction – Motion by Herbert Pritchett, second by Sam Blackburn and the Board unanimously approved the application. The certification list will change to reflect the approval.

## COMPLAINT

- A. Case Summary Flow Chart – Motion by Kathy Mayfield, second by Sam Blackburn and the Board voted unanimously to accept as presented by staff.
- B. The Board was advised there have been a total of 19 cases filed for 2011.
- C. Investigator Report – Dennis Badger advised the Board that he has two cases that his company is working.



D. Case No. 10-40 – Motion by Sam Blackburn, second by Kathy Mayfield and the Board unanimously agreed to dismiss the case.

E. Cases that have been appealed.

- (1) David Harrington – Final Order 2/18/10  
Appeal filed on 3/25/10 - Order filed by Marvin Wilson on May 13, 2011
- (2) Lynn Prichard – 3/2008  
Lawsuit filed on 12/2008

### **MISCELLANEOUS**

The Board reviewed:

- (1) State of the Appraisal Industry Survey
- (2) Marder letter and response
- (3) ASB-FHFA Letter
- (4) Budget Ending April 30, 2011
- (5) Letter concerning budget reductions – Sam Blackburn and Larry Disney advised the Board the meeting with Mary Lassiter was very productive. They advised that Mrs. Lassiter recommended the Board to work on legislation to have a fee increase in dues and the cost of USPAP manuals.
- (6) Letter to Budget Director Mary Lassiter from ASC
- (7) Administrative Hearings Trainings for State Boards and Agencies – June 24, 2011 – Motion by Sam Blackburn, second by Herbert Pritchett and the Board agreed to approve this session for any Board Member or staff that wished to attend.
- (8) Board discussion on Sharefile
- (9) Cancellation of hearing officer contract – Motion by Kathy Mayfield, second by Sam Blackburn with one opposition by Herbert Pritchett to submit letter of cancellation to Thomas Hellmann. Contract was cancelled at the request of the Attorney General office.
- (10) GAO Discussion
- (11) Board Discussion on continuing education

### **NEW BUSINESS**

The Board was notified that the June Board meeting will be Friday, June 17, 2011 at 1:30 p.m. at the Board office

The Board was notified that the July Board meeting will be Friday July 22, 2011 at 10:00 a.m. at Barren River State Park.

## EXECUTIVE SESSION

Motion to go into closed session under KRS 61.810(1)(c) by Sam Blackburn, second by Kathy Mayfield, Board Member Herbert Pritchett abstained and motion passed. The respondent and legal counsel agreed to a closed session discussion by Board.

Motion to come out of closed session was made by Sam Blackburn, second by Herbert Pritchett and motion passed.

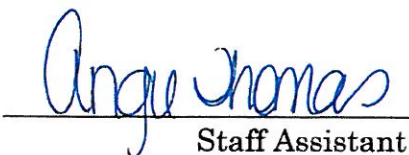
Motion to open regular meeting was made by Herbert Pritchett, second by Sam Blackburn and motion passed.

The following agreement was made for Marshall Flynn reinstatement:

- Flynn will shall maintain a log of all appraisal assignments for a period of 2 years from the date of this agreement.
- Flynn shall submit to the Board the log of appraisal assignments every month for this 2 year period. The log for the preceding month shall be submitted to the Board's Offices on or before the 10<sup>th</sup> day of the following month. For example, the log for June, 2011 shall be submitted on or before July 10, 2011.
- Flynn further agrees to send to the Board copies of appraisal reports and all work file materials selected for review form the log by the Board's Executive Director.
- Flynn shall personally meet with the Board's Executive Director for the purpose of reviewing Flynn's appraisal work on a monthly basis for the 2 year period identified in paragraph 1. This meeting may be cancelled at the sole discretion of the Board's Executive Director.
- Flynn shall grant the Board members, Board staff, or assigns of the Board access to all appraisal, appraisal review and appraisal consulting files at such time as a request to view the files is presented by the Board.

Motion by Kathy Mayfield, second by Sam Blackburn and the Board voted unanimously to adjourn the meeting.

  
Chair

  
Staff Assistant